LCC Subcommittee on Minnesota Water Policy: October 17, 2019

Following are short descriptions of draft legislative issues for the 2020 session. The subcommittee (committee) has not reached consensus on the issues at this time.

Issue 1A: Simplifying the Water-Quality Standards Review and Revision Process: The Clean Water Act requires regular reviews of water-quality standards. The rule regarding conductivity is an example. The process of amending standards takes a great deal of time and there is concern, within this committee, that this negatively affects opportunities for economic growth and development. The committee may want to request a legislative report, or discussion, that describes the process. Based on the finding of this report, changes in policy may need to be considered.

Issue 1B: Simplifying the Irrigation Water Appropriation Process: The time required to obtain an irrigation water-appropriation permit is of concern to some members of this committee. The committee may wish to facilitate a discussion, with agency staff, to determine whether an agency/legislative review and report to the Legislature is needed. The review could consider possible options for simplifying the process while recognizing the need to balance economic development with options to ensure sustainable supplies of groundwater.

Issue 1C: State Assumption of Federal Wetlands Permit Responsibilities (Clean Water Act, Section 404): The EQB received funding during the previous session to plan for assumption. BWSR has applied for an EPA grant to supplement funding for the assumption-application process. State costs and staffing needs are unclear at this time. There is no legislative need at this time. However, the committee needs to be kept informed about statue changes that will be required to accomplish the assumption process during the 2021 session.

Issue 1X: Addressing Soil and Water Conservation District Funding: SWCD's are important special-purpose units of government that carry out local conservation programs. Staff work with landowners by providing technical expertise and financial assistance to maintain and improve the quality, quantity and sustainability of water. Capacity funding falls short of the need. The committee may wish to propose supplemental aid, in the tax bill, or through options for local fees, a SWCD levy authority, or additional sales taxes.

Issue 2A: Prioritizing Outcomes for Clean Water Programs: Minnesota's citizens passed the Clean Water, Land and Legacy Amendment in 2008. It dedicated a portion of the sales tax to water improvement. Much has been accomplished toward improving water our waters. However, recent information suggests that improvements, when the amendment expires in 2034, will not meet citizen's expectations. As the amendment period reaches halfway, there is need to place additional emphasis on achieving and demonstrating clean-water outcomes. State and local agencies have a great opportunity to work together by making minor adjustments that prioritize programs to improve water, increase our return on investment, and show greater outcomes. To ensure adequate and clean water for the future, we need to balance long-term plans for restoring, preserving and protecting our waters while ensuring a healthy public and healthy economy. The committee may want to consider and implement some of the suggestions provided in the 2019 report "Putting Minnesota on a Clean Water Trajectory" by Freshwater and to include recommendations in the Clean Water Accountability Act.

Issue 2C: Provide Incentives for Healthy Soil: Soil Health is good for agriculture and water. However, improving soil health is a long-term issue. Legislative support is needed for long-term support to the Office for Soil Health (UM) that includes recognition and funding for the development of a state-wide soil-health action plan with increased outreach for implementing practices that build soil health.

Issue 3A: Prioritizing our Environmental Spending: These is need for a more comprehensive Statewide Water Policy to prepare for changes that are taking place to our climate, landscapes, biota, hydrology, lakes, and infrastructure. As a first step, the committee may want to provide legislative direction and funding for an interagency/legislative planning process, and report to the Legislature, coordinated by the Environmental Quality Board, that addresses a Desired Future State of Water. This report should provide a framework regarding where to place emphasis that can provides the greatest benefits at the lowest cost.

Issue 3D: Ensuring Safe and Sustainable Drinking Water for the future: The safety of our drinking water is one of the most critical responsibilities of government. Safe drinking water has been key to some of the greatest public health achievements of the last half-century, including the reductions in disease and improvements in longevity. Investments in

water protection provides safe drinking water and are key to strong local economies. Actions need to be prioritized as part of an interagency drinking-water policy plan. The committee may want to provide direction and funding for a process and plan that ensures safe and reliable drinking water for all the citizens of the state.

- Issue 4A: Keeping Water on the Land-Quantifying the Impacts of Water Storage and Retention: While cropland drainage provides benefits, it also results in environmental concern. There is general agreement that we should increase efforts to retain water on the land to reduce peak flows and to improve water quality. A fundamental obstacle is understanding which best management practices are most effective in specific landscapes and the beneficial impacts of water storage has not been fully assessed. Information and models are now available to assess the location and numbers of structures that are optimal. This effort would complement work being done by the One Watershed, One Plan process.
- **Issue 4C: Encourage and Fund research and outreach that promotes precision agriculture:** Self-managing and sustainable farming is imperative to ensure agricultural competitiveness and to protect our waters. This will require modern and emerging technologies such as satellites, advanced data analytics, automated sensors, and robotics. The committee may wish to consider policy, and a legislative initiate, that provides additional resources for research and outreach through the UM Precision Agriculture Center.
- **Issue 5D: Reduce the over-use of salt: Protect our lakes, rivers and groundwater:** De-icing roads, parking lots, and sidewalks, water softening, and dust suppression each introduce chloride to lakes, streams and groundwater. Chloride degrades our waters and it is very difficult and expensive to remediate. It is feasible to reduce the use of salt. The committee may wish provide support for limiting liability for applicators and to provide applicator training. There also are needs to assess the significance of other sources of chloride, such as water softening and dust suppression.
- **Issue 5E: Encourage efficient wastewater and storm-water technology and treatment options:** Small towns and cities struggle with maintaining and upgrading water supply and wastewater-treatment facilities. There is a great need to encourage and provide new technology and alternative approaches. The committee may wish to provide means to encourage innovative technology, regional partnerships, improved asset management, coordinated administrative and operational activities, shared wastewater operators, and decentralized utility services.
- **Issue 6C:** Legislative support to Improve Minnesota's Water Infrastructure: Minnesota's water-related infrastructure is aging and threatens our economic and public health. The committee may want to consider ways to encourage cost-effectiveness reviews, alternative best-management practices, asset-management reviews, efficient infrastructure alternatives, and water-quality trading options. Programs are also needed to identify and improve leaking septic systems and to fix inflow and infiltration infrastructure leaks.
- Issue 7A: Creation of a Department of Water Resources--Water Governance: Minnesota's waters are governed by hundreds of laws and regulations that involve 20 federal agencies, 7 state agencies, and many LGU's. An introduced bill calls for a reorganization of water governance structure. The issue of a Department of Water been studied and reported on twice in the past. Regardless of movement on the bill, recommendations from previous reports should be evaluated. The recommendations focus on cooperation, efficiency and service to citizens. The committee may want to examine existing recommendations as a guide for reorganization or for policy changes to make agencies more efficient and effective. (SF 2102)
- Issue 7B: Change the structure and Function of the Clean Water Council and the LCC Subcommittee on Water: HF 2902 proposes far-reaching changes to the structure and function of the Clean Water Council, and to this committee, by creating the Legislative and Citizens Commission on Minnesota Waters. If the bill moves forward, existing functions of the two organizations should be preserved. These include significant and long term support for agency clean-water programs and continued coordination among the administration, stakeholders, the legislature agencies and citizen experts. The subcommittee my want to discuss this bill in detail.
- Issue 7D: Leveraging Dedicated Funding Programs to Maximize Conservation Outcomes: The committee may want to request increased emphasis on mutual benefits from dedicated funding programs. Improvements to environmental outcomes could improve based on a comprehensive analysis of those programs. Each program is involved in strategic planning efforts that focus on outcomes. Greater coordination of common goals and mutual benefits could improve environmental outcomes. The committee may want to consider analysis the common goals that improve outcomes that provide support for the continuation of the state's dedicated environmental funding programs.